

# **CITY OF EDMONDS**

## **ECONOMIC DEVELOPMENT COMMISSION**

### **July 21, 2010**

The Citizens Economic Development Committee meeting was called to order at 6:00 p.m. by Chair Frank Yamamoto in the Brackett Room, 121 5th Avenue North, Edmonds.

#### **COMMISSIONERS PRESENT**

Stacy Gardea  
Don Hall  
Darrol Haug  
Betty Larman  
Beatrice O'Rourke  
Evan Pierce  
David Schaefer  
Rich Senderoff  
Rob VanTassell  
Bruce Witenberg  
Rebecca Wolfe  
Frank Yamamoto  
Marianne Zagorski

#### **COMMISSIONERS ABSENT**

Bruce Faires  
Mary Monfort  
Kerry St. Clair Ayers  
Bill Vance

#### **PLANNING BOARD LIAISON**

Kristiana Johnson

#### **ELECTED OFFICIALS PRESENT**

Councilmember Diane Buckshnis

#### **STAFF PRESENT**

Stephen Clifton, Community Services/Economic  
Development Director  
Cindi Cruz, Executive Assistant  
Rob Chave, Planning Manager  
Jeannie Dines, Recorder

#### **PUBLIC PRESENT**

Paul Anderson  
Matt Steiner  
Tony Shapiro  
Phil Lovell  
Ron Wambolt

1. **INTRODUCTION AND COMMENTS BY CHAIR – NONE**
2. **AMENDMENTS TO AGENDA**

As the presenters from Stevens Hospital/Swedish had not yet arrived, reports from subgroups were moved up on the agenda.

3. **APPROVAL OF ECONOMIC DEVELOPMENT COMMISSION MINUTES OF JUNE 24, 2010**

**COMMISSIONER ZAGORSKI MOVED TO APPROVE THE ECONOMIC DEVELOPMENT COMMISSION MINUTES OF JUNE 24, 2010. COMMISSIONER HAUG SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.**

6. **REPORT FROM SUBGROUPS**

- a. **Land Use**

Planning Manager Rob Chave referred to the University of Washington Green Futures Lab Scope of Work for a 3-Phase Approach for Edmonds Special Districts Plan for the Five Corners and Westgate Commercial Centers. He explained this represents three quarters of work with a combination of classes, graduate students, and two

instructor, one who is a landscape architect with the Green Futures Lab and another who is a professional planner.

Mr. Chave reviewed the three phases of the project:

- **Phase 1/Fall Quarter** – undergraduate students doing an environmental scan. As part of this phase, a decision will need to be made what type of market research study should be conducted. Options include, 1) a comprehensive market and feasibility assessment, estimated cost: \$20,000 - \$30,000, and 2) an overview of economic potential (review of economic conditions and trends and discussion of feasibility factors and supportable uses), estimated cost: \$7,000 - \$10,000 and may be as high as \$15,000 - \$20,000.
- **Phase 2/Winter Quarter** – graduate student design studio, focus on public outreach, public meetings design charrette, and alternatives and detail about what could be done.
- **Phase 3/Portion of Spring Quarter** – using the preliminary work, develop implementation method either form based or a hybrid code. Incorporate concepts that were agreed to in the second phase into development standards/guidelines for Council.
- Cost estimate for the first three phases without the market analysis: \$40,000.

Mr. Chase reported Community Services/Economic Development Director Stephen Clifton and he reviewed the existing City budget and determined there is enough money in the current budget (from salary savings, etc.) that can be reallocated to fund the UW 3-phase study; however, there are no funds in the existing budget for the market study. Staff will seek City Council approval to proceed with the study as well as Council direction regarding the type of market study and a funding source. Mr. Chave advised because the undergrad work occurs in the fall quarter, the UW is seeking an answer as soon as possible. The graduate student work will begin in early 2011.

**COMMISSIONER HALL MOVED TO FORWARD THE UNIVERSITY OF WASHINGTON GREEN FUTURES LAB SCOPE OF WORK FOR THE 3-PHASE APPROACH TO EDMONDS SPECIAL DISTRICTS PLAN FOR THE FIVE CORNERS AND WESTGATE COMMERCIAL CENTERS TO THE CITY COUNCIL FOR APPROVAL. COMMISSIONER WITENBERG SECONDED THE MOTION.**

Mr. Chave explained Cascade Land Conservancy (CLC) will assist during the second phase. Mr. Clifton reported the Council was willing to allocate CLC's hours to assist the UW rather than downtown. Commissioner Zagorski reported the Port is also working with UW grad students to do an analysis of Harbor Square.

Discussion followed regarding the need to seek input from residents in/around the commercial center and concern that a citizen survey via SurveyMonkey would dilute their input, plans to do mailings to alert the immediate neighborhood to the process, considering as part of the study how a roundabout would interface with development at Five Corners, the possibility SEPA will be required if a change in zoning is recommended, including information on the City's website to allow the public to follow the process, potentially developing a steering committee with members of the EDC, Planning Board, etc., and use of this plan as a template for other areas of the City.

**MOTION CARRIED UNANIMOUSLY.**

#### **4. STEVENS HOSPITAL/SWEDISH HOSPITAL TRANSITION CONVERSATION WITH SWEDISH REPRESENTATIVES**

Mr. Stephen Clifton introduced Dan Dixon, Vice President, External Affairs, Swedish; and Rick Canning, Vice President/Chief Operating Officer/Chief Financial Officer, Stevens Hospital. Mr. Clifton explained Mr. Chave and he met with Mr. Dixon to express the City's interest in facilitating the transition as well as learn about renovations/upgrades/investments Swedish plans to make and how the City can facilitate development/redevelopment in the vicinity of Stevens Hospital.

Mr. Canning described the development of a strategic plan in early 2009 that clearly identifies the need for affiliation. He described benefits of affiliation including aiding in recruitment and retention, improving brand and enhancing service offerings, enhancing service offerings, providing integrated access to advanced care centers and latest medical treatments, increasing access and improving brand, and it will be positive for the community.

Mr. Dixon provided statistics for Swedish, a non-profit institution that is 100 years old this year. He described the community hospital under construction by Swedish in Issaquah, explaining it would have hospital beds but would also provide a great deal of outpatient care which is more cost efficient and beneficial to patients. He described the history of Swedish and its founding principles of utilizing technology for the benefit of patients and social compact with the community (anyone who needs care should receive care).

Mr. Canning commented on Swedish's and Stevens' similar mission statements, partners in specialty care since 1991, both non-profit and secular, community based, locally controlled, similar labor relationships, shared commitment to reforming health care delivery, and long standing commitment to charity care and the underserved. He reviewed goals defined by Stevens Hospital and Swedish:

- Improve health of South Snohomish County area
- Measurably improve health outcomes
- Enhance healthcare in community and create convenient local access
- Meet the needs of community
- Maintain Stevens Hospital as vital community resource
- Increase charity care and other community benefits in south Snohomish County
- Assure Stevens/Swedish have the brand and clout to recruit the best physicians and staff
- Assure access to latest technology across the continuum of care including state of art electronic medical record system. EPIC
- Be on the leading edge of health care reform
- Support economic growth at Stevens Hospital and in the community
- Enhance and expand the stated missions of both organizations

Mr. Dixon described the EPIC electronic medical records system, an expensive, state-of-the-art system that Stevens would not be able to afford on its own. With regard to economic development, Mr. Dixon explained there will be new jobs associated with significant renovations/upgrades of the hospital and additional doctors and nurses which have a multiplier effect around institutions as well as on gentrification of the area.

Mr. Canning anticipated the hospital would expand its volume 25-30% over next 5 years by capturing more of the local market which results in more jobs and economic growth in the Edmonds/Lynnwood area. He described how the affiliation will work; under the current structure Stevens Hospital and additional Stevens services are operated by Snohomish County Public Hospital District #2 and the three Swedish campuses, Swedish physician division and additional Swedish services are operated by Swedish Health Services. Under the new structure the Public Hospital District #2 will continue to own the hospital and lease the hospital operations to Swedish on a 30-year term.

In addition to oversight of the lease and approval rights of major changes to service, the Hospital District will be involved in providing new services to improve the health and wellbeing of the community. The Commissioners are conducting a strategic planning process to determine the services they will provide. The District will retain operating funds of approximately \$16 million as well as receive lease payments from Swedish of \$600,000/month and the continuing M&O levy.

Mr. Dixon commented this was a unique opportunity for this community, establishing a new, well funded foundation with a mission that the community will have a voice in creating. He encouraged the public to be part of that process. Swedish looks forward to providing better access to healthcare in the community as well as identifying areas of care that may be underserved. They have earmarked significant funding toward the success of this opportunity including upgrading the facility to reflect the quality they intend to provide.

Mr. Dixon and Mr. Canning responded to questions regarding the type of businesses Swedish would attract in addition to healthcare, Swedish's transition of Visiting Nurse Services, the District's retention of the Value Village site, Swedish's intent to expand volume at Stevens but not the number of beds, lower cost of care via increased volume, and recruitment of doctors and nurses. Mr. Dixon offered to work with the EDC to identify business they would like to attract to the area. Mr. Clifton described the City's fiber optic network and welcomed the opportunity to engage Swedish in utilizing that fiber backbone.

## **5. FILM FESTIVAL ANNOUNCEMENT**

Mr. Clifton introduced Trevor and Fred Greenfield who announced at last night's City Council meeting the first annual Edmonds International Film Festival. They are relocating a well established film festival to Edmonds and plan to make it an annual event.

Trevor Greenfield thanked Mr. Clifton for his help in the process. He explained his father, Fred, and he are film makers. They started the Idaho Panhandle International Film Festival, later renamed the Lakedance International Film Festival. The first year it was 3 days, by last year it was 9 days with 55 films and attendance of 4500 people from around world. The biggest hindrance in Sand Point, Idaho is it is a town with a population of 6500, limited personnel to expand the festival, and located 75 miles from an airport.

After the great reception they received when shooting a short film in Edmonds last year, they chose Edmonds as the location for the film festival due to its atmosphere, wonderful downtown and waterfront, and three major venues. The Edmonds International Film Festival will be October 20-24, with VIP events on October 20 and 24 and screening of movies on October 21-23. He commented on the benefit of holding this event in a shoulder season to draw tourists outside the typical tourism season. The movies are high quality, entertaining, independent films. The event will include film makers, stars and people involved in creation, panel discussions, and opportunities for workshops. In future years he envisioned utilizing the Edmonds Center of the Arts and the Wade James Theater for movies, and other venues for VIP events, workshops, and panel discussions. This year the event will be 3 public days, a total of 5 days including a VIP party on the first day and awards brunch the final day, primarily downtown. He envisioned a 2+ week event in the future.

Business owners and merchants benefit from the film festival because it is a vehicle that carries the City's brand locally, regionally and internationally. People from around the world discovered Sand Point ID via the film festival. Studies regarding the economic impact from film festivals found attendees spend \$150-\$200 per person per day in the local area not including tickets. This year they plan to bring in 500 people from outside the area. In future years as the event grows, more venues are added and their budget increases, they hope to attract 5,000-10,000 people. He announced Best Western as their lodging sponsor and another entity interested in the presenting sponsorship.

Mr. Clifton commented on the opportunity to incorporate the film festival with the Third Thursday Arts Walk and potential for linking the film festival with Write on the Sound such as a workshop on screenwriting. He offered forward Mr. Greenfield's email to EDC members.

Mr. Greenfield invited suggestions/input from the Commission, advising further information was available at [Edmondsfilmfestival.com](http://Edmondsfilmfestival.com):

- Commissioner Haug suggested they explore the opportunity via the City's broadband network to stream movies to the internet. Edmonds also has a public television network to display movie clips.

- Commissioner Zagorski pointed out the film festival will overlap with the Friends of the Edmonds Library Book Sale on Friday and Saturday, October 23 and 24, a good opportunity for cross promotion.
- Planning Board Member Kristiana offered to provide information regarding Warren Etheredge a local promoter of independent films and the founder of the Warren Report.
- Councilmember Buckshnis reported on efforts to block off downtown streets during the festival.
- Commissioner Senderoff asked if they had considered other venues for workshops such as Senior Center and facilities at the library. Mr. Greenfield responded films would be shown at the Edmonds Theater this year. They are in the process of identifying locations for events including the possibility of bringing events to sponsors' location.

## **6. REPORT FROM SUBGROUPS (con't)**

### **b. Strategic Planning and Visioning**

Mr. Clifton referred to the draft Strategic Planning Process Initiative Report developed by the Strategic Planning and Visioning subgroup. The Report contains an introduction, what is a strategic plan, why a strategic plan is needed, proposed strategic planning process and a cost estimate. He requested Commissioners review the Report and submit comments to him by August 4. He advised the cost of developing a Strategic Plan ranged from \$60,000 - \$200,000; a more expensive plan would include more public processes, a comprehensive survey, more public outreach and likely more credibility to the public. He advised there may be some money available in the current budget to reduce the request for funding from the City Council.

Discussion followed regarding the importance of communicating to the City Council why a Strategic Plan is needed, scheduling a vote at the next EDC meeting regarding forwarding the proposal to the City Council, plan for the subgroup to make a presentation to the budget committee mid-August and the City Council in September, timeframe for completing the strategic planning process, the Council's indication of support for a strategic plan via adoption of the EDC resolution, and a strategic plan preventing the community from moving crisis to crisis.

### **c. Technology**

Commissioner Haug reported on efforts to identify costs, savings and revenues of the broadband project to date. The Citizens Technology Advisory Committee (CTAC) is preparing for a presentation to the City Council on August 24 regarding efforts related to broadband over last 5 years. He summarized even if the City did nothing else with regard to expenses and revenues other than those that are underway, all the costs would be reimbursed by 2013.

He described other activities that have occurred during the past month including reviewing the rates they propose to charge customers and the City's cost structures. The City's markup is adequate and customers will enjoy a reduced rate for the same service they would get elsewhere. As customers are added, the cost of serving each additional customer will be evaluated on a case-by-case basis to ensure revenue exceeds cost. The CTAC also met with Public Works to review methods of service delivery, 1) hang cable in the air, 2) dig a traditional trench or 3) new technology where the street is sliced and conduit dropped in. The cost of each method varies and each customer will choose and pay for the delivery method including the liability of service outages as a result of dig-up. Public Works Director Phil Williams. Williams encouraged the installation of blank conduit for future delivery anytime a street is opened.

Two major customers will be testing soon; if the tests are successful, they will be added to the revenue base. A commercial customer is also close to making a commitment to proceed. Two new customers and a commercial customer would generate \$150,000/year in revenue and increase the return on costs from 20-25% to 30-35%. A brief discussion followed regarding customer liability for outages during installation.

**d. Tourism**

Chair Yamamoto reported on the subgroup's discussions regarding activities/events that could be brought into the City. Assets in the City and the surrounding area need to be inventoried to determine what events would be feasible. The subgroup is planning a field trip with staff to look at existing facilities in the City, improvements that would be required, costs, etc. He anticipated by August the subgroup will have activities/events to propose to the Commission. The subgroup also discussed amenities in the City such as the train to Leavenworth, Seattle and Vancouver; promoting the train as a way to visit the film festival; and waterfront activities such as kayak rentals, etc.

In addition to identifying assets, Mr. Clifton reported the subgroup discussed membership to the Seattle Convention Visitor's Bureau, Snohomish County Tourism Bureau, partnering on a marketing strategy with the Chamber and the Port, defining local assets and marketing the City's proximity to regional assets. The subgroup was also updated on new businesses coming to Edmonds that include a butcher and brewery.

**7. DISCUSSION ON EXTENSION OF SUNSET DATE FOR COMMISSION**

It was agreed to postpone this discussion until the August meeting.

**8. FUTURE AGENDA TOPICS**

Commissioner Senderoff requested an opportunity to discuss the City of Edmonds Green Partners Recognition Program that Jeannie Blair, Rebecca Wolfe and he initiated but need help implementing.

**9. MISCELLANEOUS – None**

**10. AUDIENCE COMMENTS**

**Phil Lovell, Edmonds**, expressed support for the Strategic Plan process. He relayed his experience with the aquatic study where the public that attended meetings wanted to save Yost Pool but a statistically valid survey found the public wanted an indoor athletic swim facility with an outdoor recreation pool for \$16 million. However, the current consensus in Edmonds is to rebuild Yost Pool as an outdoor facility. He summarized the importance of public input as well as public consensus to spend the money.

**Kathy Lester, Edmonds**, representing several residents in neighborhood near Stevens Hospital, relayed their support for the merger as well as their concern about development that may occur as a result. She recalled the recent efforts of the Kruger Clinic to build a 40,000 square foot building in their single family neighborhood. She reminded the EDC that the economic vitality of the community includes the single family homes in Edmonds. She favored maintaining existing communities and encouraging development along the Highway 99 corridor.

**11. ADJOURN**

With no further business, the meeting was adjourned at 8:13 p.m.